

REPORT
OF THE
GOVERNOR AND COMMITTEE
OF THE
HUDSON'S BAY COMPANY,

TO BE
LAID BEFORE THE SHAREHOLDERS,
ON TUESDAY, JUNE 30TH, 1874.

LONDON:
PRINTERS: SIR JOSEPH CAUSTON AND SONS,
47, EASTCHEAP, E.C., & SOUTHWARK ST., S.E.

1874.



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1874.

DIRECTORS.

Governor.

THE RIGHT HONORABLE
GEORGE J. GOSCHEN, M.P.

Deputy-Governor.

EDEN COLVILE, ESQUIRE.

Committee.

GEORGE LYALL, Esquire.

RICHARD POTTER, Esquire.

EDWARD WILLIAM TERRICK HAMILTON, Esquire.

THOMAS HOLDSWORTH NEWMAN, Esquire.

Sir JOHN ROSE, Bart.

FRANCIS PEEK, Esquire.

MONTAGU C. WILKINSON, Esquire.

A GENERAL COURT of the Governor and Company of Adventurers of England trading into Hudson's Bay will be held at the London Tavern, Bishopsgate Street, on Tuesday, the 30th instant, at Two o'clock p.m., when a Report from the Governor and Committee will be laid before the Shareholders, and a Dividend declared.

The Transfer Books of the Company will be closed on the 19th instant, and re-opened on the 9th July.

By order of the Governor, Deputy-Governor, and Committee of the said Company,

W. ARMIT,

Secretary.

HUDSON'S BAY HOUSE,
London, June 9th, 1874.

R E P O R T.

THE Governor and Committee have the honour to submit the accounts of the Company, representing Outfit 1872, and showing that the net profits of the year amount to £111,768 9s. 4d., as compared with £99,188 13s. 2d. for Outfit 1871. This satisfactory result is mainly due to the development and improvement of the general business of the Company, the prospects of which continue to be encouraging.

Favourable accounts have also been received of the prospects of the Fur Trade, an increase in the collections of Marten being expected in several of the districts.

At the last meeting the Proprietors were informed that the barque "Lady Head," with the returns of the Southern Department, had not arrived last autumn, as usual. Advices have since been received that the vessel, detained in Hudson's Bay by contrary winds, encountered large quantities of ice, which prevented the captain from continuing his homeward voyage. He therefore returned to Moose Factory with the ship and cargo, which by recent advices are reported to be uninjured.

In closing the present accounts a moderate valuation has been placed on the Lady Head's cargo, the arrival of which may be expected early in October next.

The Committee now recommend a further dividend of 14s. per share, which, added to the interim dividend of 6s.

paid in January, will make 20s. per share for the year, and leave a balance of £42,897 10s. to be carried forward.

The increasing importance of the transport business of the Company in river steamers and country built vessels employed abroad, added to the impossibility of insuring such vessels, except at very heavy premiums, has led the Committee to consider the necessity for making provision to meet such risks. They have also considered whether the Company might not itself take with advantage a portion of its ordinary marine insurances, the cost of which forms an important item under the head of charges incidental to carrying on the trade.

The Committee are glad that they are now in a position to recommend a scheme for the formation of a fund to carry out these purposes, without entrenching to any appreciable degree on the ordinary profits of the year.

It will be in the recollection of the Proprietors that the Company possessed 2,500 unissued shares which were taken over in 1863 as an asset at £5 per share, and which have been valued in the accounts at £12 10s. per share since 1869, the difference between these valuations appearing in the Balance Sheets under the head of "Reserve Fund (shares standing in the name of the Company)." The Committee have disposed of these shares at prices which secured to the Company a surplus of £37,474 19s. 7d. To this amount has been added from the profits of the year the sum of £2,525 0s. 5d., making a total of £40,000, which appears in the Balance Sheet as the amount transferred to the proposed Marine Insurance Fund. It is further proposed that, when the fund shall have reached an adequate amount, the profits accruing from the insurance business shall be annually divided among the Proprietors in augmentation of their dividends.

The Committee strongly recommend the adoption of these proposals, which are indispensable as a matter of precaution, and likely to prove a source of profit to the Shareholders.

Considerable progress has been made in constructing a new steamer to replace the boat which was unfortunately stranded last year at the mouth of the Saskatchewan, and the Committee have been informed that steps are being taken with the view of having a portion of the Company's transport business of this season conducted by steam on the waters of that river.

The accounts now rendered exhibit the transactions abroad to the 31st of May, 1873. Since that date some progress has been made in collecting the instalments due on the sales of land at Fort Garry. The delay which, from various causes, has taken place in proceeding with public works in the Province of Manitoba has somewhat retarded these collections, and prevented the Company's officers from proceeding with further sales.

The policy recently announced by the Dominion Government for opening communication through the North West Territory, and the statement made by the Canadian Prime Minister to the effect that the road from Pembina to Fort Garry would be constructed at once, seem to point to an early revival in the demand for building lots, and a general improvement in the value of the landed property of the Company.

On behalf of the Committee,

GEORGE J. GOSCHEN,
Governor.

(1.) TRADING ACCOUNT.

Exhibiting the Profit and Loss results during Outfit 1872, namely from 1st June, 1872,

to 31st May, 1873.

Dr.

C.
Cr.

	£ s. d.	£ s. d.	
To Goods, Provisions, Stores, Supplies, Debts and other articles, as per Inventory, 1st June, 1872	320,880 6 11	By Proceeds of Sales of Furs and other Imports, the Returns of this Outfit, after deducting Dock Charges, Cartage, Fire Insurance, &c.	272,074 1 6
,, Goods (the produce of the country) in hand as per Inventory, 1st June, 1872	183,258 14 1	,, Estimated value of Furs in transit	52,253 19 8
,, Goods, Provisions, and Stores purchased in England, supplied for Outfit, 1872	131,224 10 6	,, Discount on Insurance Premiums	1,490 13 5
,, Amount written off, as depreciated value of Ships, Premises, &c..	3,171 11 11	,, Goods, Provisions, Stores, and Supplies, as per Inventory of the 31st May, 1873	316,291 13 6
,, Balances of Sundry Accounts, representing the Purchase of Furs and Country Provisions in the Territory, and Transport, Insurance, and other charges incidental to carrying on the Trade of Outfit, 1872	43,888 8 3	,, Goods (the produce of the country) in hand, Debts and other Articles, as per Inventory 31st May, 1873, less amount to meet contingencies	202,379 12 0
,, Outfit of Ships, Outfit, 1872	1,435 18 7		
,, Insurance Fund	2,000 0 0		
,, Expenses incurred in London, 1st June, 1872, to 31st May, 1873, viz.:—			
Governor and Committee 3,500 0 0			
Salaries of Secretary and other Officers 4,066 10 0			
Wages of Labourers employed in the Warehouse, and Sundry Charges 3,068 4 0			
Rent and Taxes of Offices in Leadenhall Street, and Warehouse in Lime Street 2,199 8 0			
Miscellaneous Expenses, including Agency in Scotland, Law Charges, Stationery, Printing, &c. 1,017 15 7			
,, Salary, &c., to Local Officers..	13,851 17 7		
,, Pensions and Donations in London and abroad	1,666 13 4		
,, Balance carried down, being Profit on Outfit, 1872	1,150 8 4		
	141,960 10 7		
	<u>£844,489 0 1</u>		<u>£844,489 0 1</u>

(2.) APPROPRIATION ACCOUNT.

Outfit 1872, and Previous Outfits.

	£ s. d.	£ s. d.	
To Retired Officers' Benefit Fund, amount appropriated thereto	1,991 15 3	By Balance, being Profit on Outfit, 1872, brought down..	141,960 10 7
To Traders for their 4-10ths of Profit of Outfit, 1872, after deducting Interest	32,107 4 3	By Profit on realization of Outstanding Accounts, Outfit 1869	353 10 1
To Hudson's Bay Company, for the Balance	108,215 1 2		
	<u>£142,314 0 8</u>		<u>£142,314 0 8</u>

HUDSON'S BAY COMPANY.

(3.) PROFIT AND LOSS.

1st June, 1873 to 31st May, 1874.

Dr.

C.
Cr.

	£ s. d.	£ s. d.	£ s. d.
To Expenses of Transfer Office, Less Fees	356 18 10	By Profit on Fur Trade brought to credit this year.. ..	108,215 1 2
,, Special Expenses	1,057 9 9	Add differences in settlement with Traders	1,394 10 1
,, Sundry Colonial Charges	3,424 6 6		109,609 11 3
,, Interest on Officers' and Servants' Deposits ..	4,976 18 3	By Interest and Dividends	9,753 14 2
,, Income Tax	710 14 9	,, Rents of Buildings	5,456 12 5
,, Marine Insurance Fund	2,525 0 5		
,, Balance carried down, being net Profits ..	£111,768 9 4		<u>£124,819 17 10</u>
	<u>£124,819 17 10</u>		
To Dividend paid 9th July, 1873	60,000 0 0	By Balance brought down	111,768 9 4
,, Interim Dividend, paid 8th January, 1874 ..	30,000 0 0	,, Balance of undivided Profits, 1st June, 1873 ..	91,129 0 8
,, Balance, being undivided Profits, 31st May, 1874	112,897 10 0		
	<u>£202,897 10 0</u>		<u>£202,897 10 0</u>

(4.) BALANCE SHEET.

31st May, 1874.

	£ s. d.	£ s. d.	
To Capital	1,700,000 0 0	By Cash in hand, and on Deposit..	123,363 17 4
,, Amount due to Officers and Servants on their Deposits	144,157 15 1	,, Sundry Investments	129,910 16 1
,, Notes in circulation in Hudson's Bay	7,014 1 0	,, Amount invested in the Fur Trade (exclusive of Goods in course of Shipment), viz.:	
,, Unpaid Dividends, and other Balances (exclusive of amount due in respect of Goods in course of Shipment on 31st May, 1874, not included in Assets, per contra)	812 15 11	Leasehold Property in London, and Fleet of Ships and Steamers employed in the Trade	£30,052 3 3
,, Marine Insurance Fund	40,000 0 0	Valuation of Trading Goods, Provisions and Stores in hand, and advances for carrying on the Trade, less amount to meet contingencies.. ..	922,376 11 5
,, Officers' Compensation Claims — Suspense Account	1,035 13 6		952,428 14 8
,, Undivided Profits, 31st May, 1874	112,897 10 0	,, Balance, represented by the remaining Property of the Company	800,214 7 5
	<u>£2,005,917 15 6</u>		<u>£2,005,917 15 6</u>

Examined and found to be in due accordance with the Books, Accounts, and Vouchers of the Company.

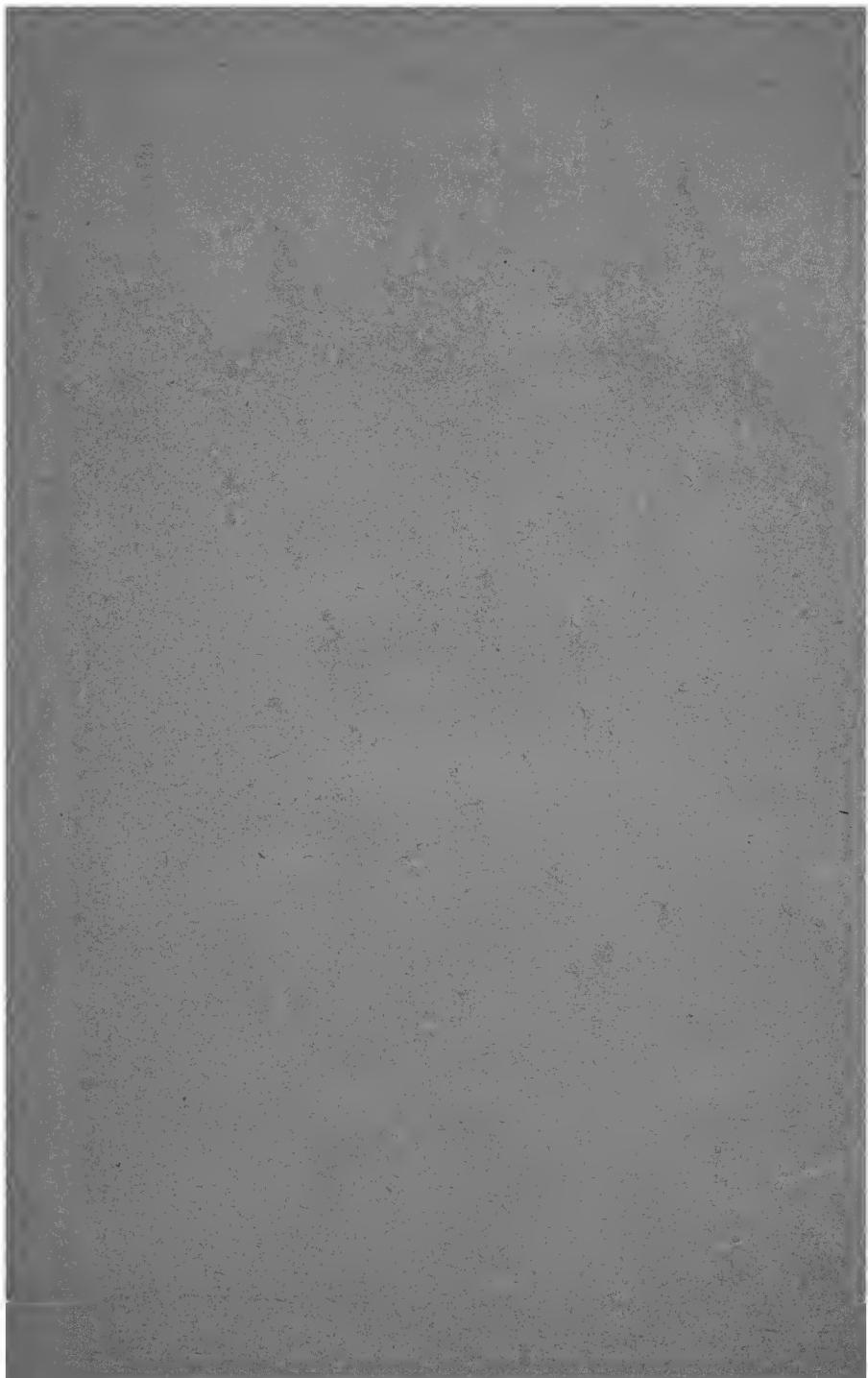
W. QUILTER,

Auditor.

3, Moorgate Street,

June 16th, 1874.





1874 JUNE PROCEEDINGS MISSING.

